

SUBCHAPTER A—OFHEO ORGANIZATION AND FUNCTIONS

PART 1700—ORGANIZATION AND FUNCTIONS

Sec.

1700.1 Office of Federal Housing Enterprise Oversight.

1700.2 Organization of the Office of Federal Housing Enterprise Oversight.

1700.3 Official logo and seal.

AUTHORITY: 5 U.S.C. 552; 12 U.S.C. 4513, 4526.

SOURCE: 59 FR 62304, Dec. 5, 1994, unless otherwise noted.

§ 1700.1 Office of Federal Housing Enterprise Oversight.

(a) *Scope and authority.* The Office of Federal Housing Enterprise Oversight (referred to as OFHEO) is an independent office within the Department of Housing and Urban Development. OFHEO was created by the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (Act), Title XIII of the Housing and Community Development Act of 1992 (Pub. L. 102-550, October 28, 1992; 106 Stat. 3943; 12 U.S.C. 4501, *et seq.*). OFHEO is responsible for the examination and financial regulation of the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) (collectively, the Enterprises). OFHEO is charged with ensuring that the Enterprises are adequately capitalized and operating in a safe and sound manner. OFHEO's costs and expenses are funded by annual assessments paid by the Enterprises. OFHEO is headed by a Director, who is appointed by the President and confirmed by the Senate for a five-year term.

(b) *Location.* OFHEO is located at 1700 G Street NW., 4th Floor, Washington, DC 20552. OFHEO's hours of business are 8:30 a.m.–5:00 p.m. (eastern standard time), Monday through Friday, excluding Federal holidays.

§ 1700.2 Organization of the Office of Federal Housing Enterprise Oversight.

(a) *Director.* The Director has exclusive authority under the Act with respect to the management of OFHEO, and is responsible for directing the de-

velopment, implementation, and review of all OFHEO programs and functions. The Director appoints such personnel as may be necessary to carry out the functions of OFHEO. The Director may delegate to OFHEO officers and employees any of the functions, powers, and duties of the Director, as the Director considers appropriate. The Director may establish and fix the responsibilities of the offices within OFHEO as the Director deems necessary for the efficient functioning of OFHEO.

(b) *Deputy Director.* The Deputy Director of OFHEO is appointed by the Director in accordance with the Act. In the event of the absence, sickness, death or resignation of the Director, the Deputy Director serves as acting Director until the Director's return or the confirmation of a successor. The Deputy Director performs such functions, powers and duties as the Director determines are necessary with respect to OFHEO's management and the development and implementation of OFHEO's programs and functions.

(c) *Offices and functions—(1) Office of Examination.* The Office of Examination plans and conducts examinations of the Enterprises, as required by the Act, prepares and issues reports of examination summarizing the financial condition and management practices of each Enterprise, and seeks preventative and corrective actions as appropriate. The Office complements its on-site examination activities with off-site financial safety and soundness monitoring.

(2) *Office of Capital Supervision.* The Office of Capital Supervision ensures the comprehensive evaluation and classification of the capital adequacy of the Enterprises, the assessment of risks that impact capital and the development of tools to measure such risks. The Office ensures the integrity of capital classifications by effectively producing results under the minimum and risk based capital models and systems and by implementing appropriate enhancements to those measures. The Office assesses new GSE activities under the capital regime and addresses changes in accounting standards. The